(i) India has raised a dispute under the Dispute Settlement Mechanism of WTO challenging the zero cutoms duty concession accorded by European Communities to the ready-made garments and made-up articles originating from some of our competing countries under the special tariff arrangements to combat drug production and trafficking of its new GSP Scheme, which are perceived by India to cause adverse trade effects on our industry.

(ii) The United States had on 31st January 2003 requested WTO's Committee on Subsidies and Countervailing Measures that the export competitiveness of textile and apparel exports from India be determined on the basis of a computation undertaken by the WTO Secretariat in accordance with Article 27.6(b) of the Agreement on Subsidies and Countervailing Measures. The products for which the request was made included all textiles and apparel products under Harmonized System Nomenclature chapters 50-59 and 60-63. India has sought certain clarifications from the WTO Secretariat in this regard.

(iii) India along with the certain members of International Textiles & Clothing Bureau (ITCB) made a submission in the WTO General Council for availability of flexibility of 'Carry-Forward' of quotas in the year 2004.

(iv) India along with other ITCB members raised the issue *inter-alia* of advancing the application of the higher "growth-on-growth" factor of 27% w.e.f. 1st January 2000, which was otherwise under the Agreement on Textiles & Clothing (ATC) to be applied on 1st January 2002. However, no recommendations could be forwarded by the Council for Trade in Goods to the General Council in this regard.

Boosting export of handloom products

1171. SHRI AIMADUDDIN AHMAD KHAN (DURRU): Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that due to SARS epidemic that threatened South East Asian countries the Indian Handloom sector had suffered a loss of one thousand crore of export earnings;

(b) if so, the details in this regard; and

(c) the steps contemplated by Government to boost the export of handloom products to bridge the shortfall in the export earning?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI BASANAGOUDA R. PATIL): (a) and (b) No loss of export earnings for Indian handlooms on account of SARS has been reported so far. The total exports of Indian handlooms during the year 2002-03 (April 2002-February 2003) have been Rs. 2400.76 crore as compared to Rs. 1894.83 crore of the corresponding period of the previous year. Thus, the handloom exports, in general, have shown a growth of 26.70% during 2002-03.

(c) Does not arise. However, in general, the following steps have been taken/are being taken by the Government to boost exports of handloom products from the country:

(a) Organisation of Buyer-Seller Meets in important markets abroad;

(b) Participation in leading International fairs & exhibitions;

(c) Upgradation of looms and imparting of technical know-how in various production processes such as weaving, dyeing etc.;

(d) Development & diversification of the product range;

(e) Dissemination of market intelligence and trade infromation through the Handloom Export Promotion Council;

(f) Availability of incentives to exporters under the different export promotion schemes such as Duty Entitlement Pass Book Scheme/Duty Drawback Scheme etc;

(g) Technology Upgradation Fund to upgrade technology;

(h) Supply of Hank Yarn at Mill Gate prices through the National Handloom Development Corporation;

(i) Financial assistance provided under the Handloom Export Scheme for development of exportable products and publicity & marketing thereof;

(j) Updating of website at frequent intervals to update information to the buyers about the handloom products; and

(k) Assistance to Handloom Export Promotion Council under the MDA Scheme for market promotion activities.

Revival of Handloom and Powerloom Sectors

†1172. SHRI P.K. MAHESHWARI: Will the Minister of TEXTILES be pleased to state:

(a) whether handloom and powerloom sector is on the verge of closure in the country specially in Maharashtra;

(b) whether due to the closure of handloom and powerloom in those areas, the traditional weavers are facing financial crunch; and

(c) if so, the measures have been taken by Government for the revival of handloom and powerloom industry in Vidarbha region?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI BASANAGOUDA R. PATIL): (a) and (b) Ministry of Textiles has not received any report from any State Government stating that the handloom and powerloom units are on the verge of closure.

(c) The Government of India is implementing the following Schemes for the overall development of the handloom sector and for the welfare of handloom weavers throughtout the country including in Maharashtra:-

(1) Design Development & Training Programme

(2) Marketing Promotion Programme

(3) Mill Gate Price Scheme

(4) Deen Dayal Hathkarga Prothsahan Yojana

(5) Workshed-cum-Housing Scheme

(6) Weavers Welfare Scheme

(7) Handloom Export Scheme

(8) Implementation of Handlooms (Reservation of Articles for Production) Act, 1985

(9) Scheme for Reimbursement of CENVAT on Hank Yarn.

†Original notice of the question was received in Hindi.